

can be implemented it must be determined to be more beneficial to the public good than it will cost the economy.

While cost-benefit analysis has been used in the determination of new rules before, it clearly has not been the guiding principle. This bill dictates that it must now be the centerpiece of the formulation of any new rule and the basis for its justification or its dismissal.

This legislation also establishes—or reestablishes—that regulating agencies prioritize their formulation of new rules. Simply stated, that means the greatest dangers to the public must be addressed first and must be dealt with in the most cost-effective way.

The Government should no longer be allowed to saddle the economy with a supposed protective measure that clearly does not justify the cost it incurs.

With the inclusion of standardized risk assessment guidelines and decisional criteria, this legislation is designed to prevent extensive promulgation of excessive rules from occurring again as it has in the past.

Mr. President, one of the most encouraging and commonsense provisions of this legislation is that it compels the Federal Government to use market-based alternatives rather than proscriptive brute force regulation. Such measures have thus far proven to be extremely effective. They are also less costly, and they are fair.

One of the most common complaints I hear from businesses, both large and small, is the unnecessarily strict and archaic nature of the Delaney clause, or the rule that says even very small traces, trace elements of materials deemed unhealthy prohibit a company from offering that product to the public. The problem is that technology today has progressed far enough and so rapidly from the time the Delaney clause was first introduced that we can now detect these trace elements of substances that simply could never have been detected before and at levels that cannot be reasonably argued to be detrimental to ones health. However, the law has not changed to fit that reality. Such an inflexibility does not have the best interests of the public in mind. This legislation will in large part remedy that problem, and not a minute too soon.

This bill reinforces what this body passed earlier this year in the form of the congressional review, S. 219, of any new major rules. This provision will ultimately allow elected lawmakers—not regulatory agency bureaucrats—to decide if the new rule is in the best interest of the public before rules are applied. And perhaps the most encouraging provision of this legislation is the explicit instruction it includes to minimize the impact on small businesses when formulating and applying rules.

Mr. President, it is high time we reapply this simple set of principles by which the economy and society function to the way our Government works. It is time to hold the Government ac-

countable to the same standards which the public must meet every day. It is unfortunate, if not ludicrous, that it would be any other way, and it is no wonder that the American electorate is restless and upset with their Government.

During the course of this debate, we have heard many examples, both telling and anecdotal. These examples remind us exactly how unprincipled and how out of control our Government can sometimes be. Some of the instances of the regulatory machine run amok are almost unbelievable in their egregious violation of common sense and individual rights. But the one fact that must be kept in mind is that our Government operates in such a way that the common good is no longer the goal. Regulation has become a goal in and of itself. Not only is that dangerous, it is unfair and extraordinarily expensive—almost \$600 billion a year.

This legislation should be viewed as nothing short of a necessary complement to what we are striving to accomplish in balancing our budget. Indeed, this legislation could be viewed as the opportunity to give the American public the biggest tax cut in its history without so much as increasing the deficit or reducing benefits by a single cent.

We would be remiss in our duties as popularly elected officials if we failed in this opportunity by failing to pass this important legislation or by passing it in a form so watered down as to hardly check the regulatory machine at all. I strongly urge my colleagues not to miss this opportunity and not to let special interests or partisan concerns guide our upcoming votes.

Thank you, Mr. President. I yield the floor.

Mr. INHOFE addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

REGULATORY REFORM COST-BENEFIT LANGUAGE

Mr. INHOFE. Mr. President, the Senator from Tennessee at the conclusion of his remarks started talking about something that is very, very significant and has been left out of this debate. I have a few comments to make, and then I wish to follow up on that. And that is the budget ramifications of an overregulated society.

I am an original cosponsor of the Dole bill. However, I will say that I do not believe the bill goes far enough. I would like to have it stronger. It does not include a supermandate which would make the new cost-benefit provisions apply to all regulations. It specifically exempts those statutes which set a lesser standard in the statutory language. These exempted laws include many of the environmental statutes such as the Clean Air Act, which really does need a strong cost-benefit provision.

Half of all regulations issued are from the EPA, and half of all the EPA

regulations are under the Clean Air Act. So that is why that act is so significant. We need to protect human health, but the EPA has gone way too far.

At the time of the Clean Air Act, the head of the Department of Health and Human Services told the Office of Management and Budget that they had no issues with the air bill. The only health benefit, according to HHS, was removing benzene from gas. This is the head of the public health department saying the bill was not protecting health.

When EPA determines risk in their risk assessments they use something called the maximum exposed individual, which is a person who spends every day of their life, 24 hours a day for 70 years, underneath the factory vent breathing the discharges. And I do not know anybody like that. That is totally unreasonable.

They also use the maximum tolerated dose for rats, which is when they stuff so much of the substance that they are studying into a rat the rat is going to die from stress.

For part of the Clean Air Act, they also observed the effects of emissions on asthma patients. But what they did was take away their medicine and force them to jog in 110 degrees heat, and nobody does this. This again is not realistic. The only realism you will find is in the minds of bureaucrats who do not live in the real world.

We can get 90 percent of the benefits from 10 percent of the costs. What EPA is trying to do is reach that final 10 percent of the benefits which incurs the rest of the costs, which is 90 percent. You do not need to be a rocket scientist to understand that 10 percent of the benefits is not worth 90 percent of the costs.

We should require that benefits outweigh or exceed the costs of regulation. When you reach that 90 percent benefit level, you reach a point of diminishing returns. We are paying for much more than we are getting. Businesses do not operate this way, at least they do not operate this way very long, and neither do consumers. The Government definitely should not either. For an incremental benefit of 1 percent, we should only have to pay an incremental cost of 1 percent or less. Nowhere else but in the Federal Government do people spend \$1 million to get \$100 worth of benefit, and we must end this practice.

The Clean Air Act refinery MACT rule is a perfect example. As proposed, the rule would cost approximately \$10 million and only save less than one-half of one life.

The cost-benefit language in the Dole bill is good but not good enough. And it is a shame it does not apply to all existing statutes. As a Member of the Environment and Public Works Committee, I will strive to place good cost-benefit language in all future reauthorizations, yet I must point out my disappointment with the cost-benefit language in this bill. Perhaps we can work together and strengthen it later. And,

of course, it is the only dog in this hunt at this time.

Let me suggest something. Yesterday, I ran out of time when I was talking about the Regulatory Reform Act, and there are a couple of examples that I wanted to use. I had used some examples from around the country, but I did not use the local examples.

Once before, when we were talking about Superfund abuse, which we are dealing with here also, I told the story of a very close personal friend of mine in Tulsa, OK. His name is Jimmy Dunn. His family has Mill Creek Lumber Co. It is the third generation to run this lumber company—highly competitive. It is in an environment in which many of them do not exist; they are not able to survive.

He called me up. At that time, I was a Member of the House. He said, "Congressman INHOFE, the EPA has just put me out of business." I said, "What did you do wrong?" And Jimmy Dunn said, "I don't think I did anything wrong, but for the last 10 years we have been using the same contractor to sell our used crankcase oil." And that contractor was licensed by the Federal Government; he was licensed by the State Government; he was licensed by Tulsa County, and yet they traced some of the crankcase oil from this contractor to the Double Eagle Superfund site.

He read the letter he received from the administrator of the EPA, the last paragraph of which said we are going to impose \$25,000-a-day fines on you and possible criminal sanctions.

Now, we were able to stop that, but for every one that we find out about and are able to help, there are thousands that we do not find out about.

I had a visitor in my office yesterday who is the administrator of the endangered species here and a very nice lady, and we visited about it. She said, "Well, I can count on both hands the number of prosecutions we have had. It is fictitious to say that we are being abusive in the Endangered Species Act." I said, "You miss the point altogether." For each one that is ultimately a conviction or a prosecution, you have 100,000 of them out there that are threats, that are threatening those people who are working hard, making money to pay taxes for all this fun that we are having up here.

I have a guy that I met 4 days before Christmas. His name is Keith Carter. Keith Carter lives in a little town in Oklahoma—Skiatook, OK—just north of Tulsa, OK. It is a very small community. Keith Carter developed a spray that he puts on horses. I do not know what it does, but apparently there is a market for it. Keith Carter called me 4 days before Christmas and Keith Carter said, "Congressman, EPA has just put me out of business and I have to fire my only four employees 4 days before Christmas."

The PRESIDING OFFICER. The Senator's time has expired.

Mr. INHOFE. I ask unanimous consent for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. I thank the Chair. I do want to finish this story.

What had happened in the case of Keith Carter is that Keith Carter had moved his location from his basement up the street three houses for a larger place. He told the EPA regional office in Texas about it, but he did not tell the office in Washington, and so they took away his number. So we got his number back. It took 3 weeks to do it. Finally, we got his number back.

He called me back. He said, "Congressman, I have another problem; now I can't use my inventory, 25,000 dollars' worth of silkscreen bottles, because they have the old number on them." Well, this is the type of harassment that has taken place.

Lastly, since the Senator from Tennessee brought this up, there is a brilliant guy, a Dr. Bruce Yandle from Clemson University, that made a discovery that everyone should focus on at this time. We are all concerned about deficits. What he discovered was—and he skewed this draft out for us—that there is a direct relationship between the number of pages in the Federal Register, which indicates the number of regulations, and the deficit. These yellow bars down here signify and represent the deficits during these years starting all the way back in 1950 going up to the current year. And if you look at this, it follows exactly along the line of the pages in the Federal Register. So, I would say to those individuals, if you are looking for another excuse, if you do not believe that we have an obtrusive, abusive Government, then look at it from a fiscal standpoint. If you really want to balance the budget, to eliminate the deficit, there is no single greater thing we can do than stop the excessive regulations in our society. And this is our opportunity to do it.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Kansas is recognized under the previous order to speak for up to 10 minutes.

Mrs. KASSEBAUM. I thank the Chair.

(The remarks of Mrs. KASSEBAUM and Mr. KENNEDY pertaining to the introduction of S. 1028 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from North Dakota is recognized to speak for up to 15 minutes.

COMPREHENSIVE REGULATORY REFORM ACT

Mr. DORGAN. Mr. President, the subject on the floor of the Senate is regulatory reform. It is an important issue. Nearly all of us in this Chamber know that there are many Americans confronted these days with regulations that they think do not represent com-

mon sense, regulations that are too burdensome, regulations that do not seem appropriate or right. I understand that. I think some of that does exist. And when and where it exists, we ought to put an end to it. Americans have enough trouble without having to deal with regulations that do not make sense.

But the story of regulations is a story with more than one chapter. Another part of the regulations story is the regulations that we have put in place that improve life in this country; regulations that require inspection of food so that we have safe food to eat; regulations that require an approval by the Food and Drug Administration of drugs that are being proposed to be marketed in this country so that consumers have some confidence that these drugs are safe; regulations that prohibit big corporations from dumping their chemicals into our streams and into our lakes and rivers; regulations that prohibit big corporations from pouring pollution into our air. Many of those regulations are critically important, and we ought to keep them.

It is interesting, most of what we see in the Congress is a debate about failure, it is never much a debate about success. Let me just for a moment describe for my colleagues a success.

Today, we use twice as much energy in this country than we did 20 years ago, but we have in this country today, by all standards of measurement, cleaner air. Why would we have cleaner air, less pollution, less smog in this country today than we did 20 years ago if we use twice as much energy? Because this country and this Congress said we are going to change the way we behave in this country; we are not going to allow polluters to any longer pollute the air; we are going to require them to clean up their emissions. And the result is a success story. It has been the Clean Air Act, with all of its imperfections, that has stopped the degradation of America's air. That is a success.

Should we retreat on that? Should we decide that regulations that require corporations to stop polluting are burdensome so, therefore, they should not have to stop polluting? Should we go back to the good old days where we dump all this pollution into the air and let our kids breathe it and say it does not matter, that we can deal with the consequences later? I do not think so. I do not think the American people would believe that we want to go back to those days.

How about water? There is a book by Gregg Easterbrook recently published that talks about these success stories. We have less acid rain and cleaner water these days than we had 20, 25 years ago. You all remember the story about the Hudson River starting on fire.

Now why would a river start to burn? Because of this enormous amount of pollution that was going on in this